

\*\*\*\*\*

S E C R E T

\*\*\*\*\*S COPY

FLASH

Z 182145Z DEC 73 ZYH ZFF-1/4  
FM THE SITUATION ROOM TOHAK 133

25X1

TO AMEMBASSY MADRID

S E C R E T/EYES ONLY [ ] WH37696

25X1

TOHAK 133  
TO LARRY EAGLEBURGER FOR SECRETARY KISSINGER

TO: SECRETARY KISSINGER

FROM: GENERAL SCOWCROFT

SUBJECT: EXIM LOANS FOR USSR

TREASURY HAS ASKED SONNENFELDT FOR NSC GREEN LIGHT ON SEVERAL EXIM ACTIONS FOR SOVIETS. SHULTZ FAVORS THESE STEPS AT THIS TIME BUT WANTS TO BE SURE YOU APPROVE.

1. EXIM HAS HAD PENDING IN STATUS OF "PRELIMINARY APPROVAL" SOME 25 MILLION DOLLARS WORTH OF LOANS FOR THREE INDUSTRIAL PROJECTS IN THE USSR. SHULTZ WOULD LIKE TO MOVE THIS TO "FINAL APPROVAL STATUS" WHICH WOULD THEN PERMIT ACTUAL DISBURSEMENTS.

2. EXIM HAS HAD IN APPLICATION STATUS SOME 43 MILLION DOLLARS WORTH OF MISCELLANEOUS INDUSTRIAL PROJECTS AND SHULTZ WOULD NOW WANT TO MOVE THOSE UP INTO "PRELIMINARY APPROVAL" STATUS.

3. FOR YOUR BACKGROUND, TOTAL OF FINAL AND PRELIMINARY APPROVALS CURRENTLY STANDS AT 373 MILLION DOLLARS AND WOULD INCREASE TO 416 MILLION DOLLARS IF 43 MILLION IN PARA 2 ABOVE IS APPROVED.

COMMENT: ACTIONS INVOLVED ARE RELATIVELY MINOR BUT WOULD PROVIDE SIGNAL THAT HOUSE ACTION ON TRADE BILL IS NOT RPT NOT DETERRING FAVORABLE EXIM ACTIONS. OUR JUDGMENT HERE IS THAT SUCH ACTIONS ARE ALSO DESIRABLE IN CONTEXT OF MIDDLE EAST DIPLOMACY AT PRESENT BUT WOULD APPRECIATE YOUR CONCURRENCE.

State Dept. review completed

WARM REGARDS.

300

ON-FILE NSC AND TREASURY RELEASE INSTRUCTIONS APPLY

MORI C03342265

\*\*\*\*\*WHSR COMMENT\*\*\*\*\*

SCOWCROFT, MCFARLANE, SECFILE

PSN:012847 RECALLED PAGE 01 OF 01 TOR:352/22:08Z DTG:182145Z DEC 73

\*\*\*\*\*

S E C R E T

\*\*\*\*\*S COPY